

AMENDED IN SENATE AUGUST 20, 2008

AMENDED IN SENATE JUNE 30, 2008

AMENDED IN SENATE JUNE 17, 2008

AMENDED IN ASSEMBLY MAY 23, 2008

AMENDED IN ASSEMBLY APRIL 8, 2008

AMENDED IN ASSEMBLY APRIL 3, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 2818

Introduced by Assembly Member Jones

February 22, 2008

An act to add *and repeal* Section 34315.8~~to~~ of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2818, as amended, Jones. Housing.

The Housing Authorities Law requires the disposal of real property owned by a housing authority to be for certain purposes and in a specified order of priority.

This bill would, *until January 1, 2019*, prohibit a housing authority from disposing of housing units affordable to low- and moderate-income households, as defined, unless certain conditions are met.

The bill would, *until that date*, require a housing authority to take certain actions in order to achieve full replacement of the units disposed of pursuant to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. The Legislature finds and declares both of the*
2 *following:*

3 *(a) In view of the significant reduction in recent years in federal*
4 *funding for conventional public housing owned and operated by*
5 *housing authorities in the state of California and nationally under*
6 *the United States Housing Act of 1937 (Public Law 75-412), as*
7 *amended, housing authorities in the state of California must employ*
8 *newly available and innovative methods to continue to fund their*
9 *operations and to fulfill their mission to provide decent, safe, and*
10 *sanitary housing to extremely low, very low, and low-income*
11 *households.*

12 *(b) Until and unless a dedicated source of funds is established*
13 *to replace lost federal funding, housing authorities must balance*
14 *the need to generate revenue sufficient to sustain and improve*
15 *their operations with their need and desire to continue to serve*
16 *those households traditionally served by conventional public*
17 *housing in California. At the same time, the Legislature supports*
18 *the housing authorities' need to improve and replace their aging*
19 *public housing inventory. Housing authorities are encouraged and*
20 *permitted to use all appropriate financing and subsidy resources*
21 *to achieve these goals, including, but not limited to, disposition,*
22 *reconstruction, rehabilitation, and replacement of conventional*
23 *public housing units, subject to the provisions of this act.*

24 *(c) California is experiencing a severe and persistent shortage*
25 *of affordable housing that requires every effort be made to preserve*
26 *existing affordable housing, particularly those units owned and*
27 *managed by public entities. Public housing is a unique and*
28 *valuable resource that provides housing for the lowest income*
29 *residents of the state, particularly extremely low income*
30 *households. It is critical to the achievement of the state's housing*
31 *goals that every effort be made to minimize the loss of housing*
32 *units affordable to Californians most in need of stable, permanent*
33 *housing. The Legislature encourages local governments and*
34 *housing authorities to make a maximum effort to achieve the*
35 *preservation, improvement, and development of housing*
36 *opportunities for extremely low income households, consistent*
37 *with the provisions of this act.*

1 SEC. 2. Section 34315.8 is added to the Health and Safety
2 Code, to read:

3 34315.8. (a) For purposes of this section, the following
4 definitions apply:

5 (1) "Affected resident" means any person legally residing in a
6 housing unit subject to disposition. Where notice is required to be
7 provided to affected residents pursuant to this section, the notice
8 may be provided to the head of household for each housing unit
9 subject to disposition.

10 (2) "Affordable rent" has the same meaning as in Section 50053.

11 (3) "Board" means the board of commissioners of the housing
12 authority.

13 (4) "Disposition" means the authority's transfer or conveyance
14 of one or more public housing units for which the authority is
15 required to submit a disposition application to the United States
16 Department of Housing and Urban Development under Section
17 1437(p) of Title 42 of the United States Code.

18 (5) "Financially feasible" includes all sources and uses of funds
19 for the replacement housing units for the periods of
20 predevelopment, development, and operation for the duration of
21 the maximum feasible affordability period. Revenue and equity
22 from the units disposed of, less the costs of disposition, are
23 considered sources for the purpose of this paragraph.

24 (6) "Good cause tenant protection" means a lease or regulatory
25 agreement that prohibits the termination of the tenant's occupancy
26 in the unit except upon a showing of good cause. In the absence
27 of a good cause provision imposed on the replacement units by
28 any other state or federal law, "good cause" means the
29 nonpayment of rent or allegation of facts necessary to prove major,
30 or repeated minor, violations of material provisions of the
31 occupancy agreement.

32 (7) "Housing choice voucher" refers to assistance provided
33 pursuant to Section 1437f(o) of Title 42 of the United States Code.

34 (8) "In place disposition" means a disposition that does not
35 initially include the demolition of existing units and does not
36 permanently displace existing residents, except those ineligible
37 for housing choice vouchers.

38 (9) "Maximum feasible affordability period" means that the
39 covenants recorded against the unit shall require continued

1 *affordability for the longest feasible time but not for less than 55*
2 *years.*

3 *(10) "Opportunity to grieve an action or omission" means a*
4 *provision in a lease or regulatory agreement that provides the*
5 *tenant with a specific process by which to lodge a grievance and*
6 *have it be fairly resolved.*

7 *(11) "Replacement housing unit" means a housing unit that*
8 *meets all of the criteria described in subdivision (e).*

9 *(b) There shall be no disposition by a housing authority unless*
10 *all of the following conditions are met:*

11 *(1) The authority has done all of the following:*

12 *(A) Notified, in writing, the affected residents of the authority's*
13 *intention to adopt a public housing authority plan, any similar*
14 *plan subsequently required by the United States Department of*
15 *Housing and Urban Development, or an amendment to that plan,*
16 *if a plan or amendment is required, that will include a provision*
17 *to seek disposition not less than 30 days prior to the adoption of*
18 *the plan or an amendment to the plan, unless the adoption occurred*
19 *prior to January 1, 2009.*

20 *(B) Consulted with affected residents on the development of the*
21 *disposition application through at least one meeting open to all*
22 *affected residents. Not less than 30 days prior to the meeting,*
23 *affected residents shall receive written notice of the meeting, and*
24 *the authority shall make available a summary of the preliminary*
25 *disposition application, the draft replacement housing plan, and*
26 *any available information regarding the potential for temporary*
27 *or permanent relocation and the potential relocation benefits to*
28 *which displaced residents may be entitled.*

29 *(C) Held one or more public hearings on the request for*
30 *disposition prior to the submittal of the request. Not less than 30*
31 *days prior to a public hearing of the authority that includes on its*
32 *agenda a resolution to make an application for disposition, the*
33 *authority shall provide the affected residents and, upon request,*
34 *other community members, with notice of the hearing, a summary*
35 *of the proposed disposition application, the proposed housing*
36 *replacement plan, and any available information regarding the*
37 *potential for temporary or permanent displacement and the*
38 *potential relocation benefits to which displaced residents may be*
39 *entitled. At the time notice of the hearing is given, the authority*
40 *shall make the proposed disposition application and replacement*

1 *housing plan available online, if possible, and upon request for*
2 *review and copying at the office of the authority.*

3 *(2) The authority shall provide relocation assistance for all*
4 *families and persons to be temporarily or permanently displaced*
5 *from the units to be disposed of and shall make all of the payments*
6 *required by Chapter 16 (commencing with Section 7260) of*
7 *Division 7 of Title 1 of the Government Code.*

8 *(3) The authority shall require in a covenant recorded against*
9 *the replacement housing unit pursuant to subdivision (c) prior to*
10 *the time that replacement housing units are made available that*
11 *any households displaced from units subject to disposition or*
12 *disposed of shall be given, with respect to the initial occupancy of*
13 *any replacement housing unit, the first right of refusal to rent any*
14 *available replacement units for which the family qualifies*
15 *according to regulatory, funding, and reasonable housing authority*
16 *board-approved criteria, provided that units are not required to*
17 *be held vacant for this purpose. This right of first refusal shall*
18 *have precedence over households not displaced by disposition*
19 *activity. The authority may adopt reasonable procedures to*
20 *establish priority among households eligible for this right. The*
21 *authority shall require an appeal procedure for any displaced*
22 *resident who is found unqualified to occupy a replacement unit.*

23 *(4) Except as provided in subdivision (f), the authority shall*
24 *require that each unit subject to disposition be replaced in a*
25 *comparable replacement project. For the purposes of this section,*
26 *“comparable replacement project” means, in aggregate, a unit*
27 *or units in one or more buildings on one or more sites in one or*
28 *more phases that meet all of the following requirements:*

29 *(A) The aggregate number of bedrooms in the project is equal*
30 *to or greater than the aggregate number of bedrooms in the units*
31 *subject to disposition, except that an authority may reduce the*
32 *aggregate number of bedrooms in the comparable replacement*
33 *project if it makes a written finding, based on substantial evidence*
34 *in the record, in its replacement housing plan that the approved*
35 *bedroom mix is consistent with documented housing need in the*
36 *community and that replacing fewer than all bedrooms is in the*
37 *best interests of the community and the residents after considering*
38 *the consolidated plan described in Section 12705 of Title 42 of the*
39 *United States Code, the general plan housing element described*
40 *in Article 10.6 (commencing with Section 65580) of Chapter 3 of*

1 *Division 1 of Title 7 of the Government Code, the authority's wait*
2 *lists, the 5-year public housing authority plan and, at the discretion*
3 *of the authority, other publicly-adopted local plans. Any judicial*
4 *action attacking the validity of that finding shall be brought no*
5 *more than 60 days from the date the board adopts that finding in*
6 *the replacement housing plan.*

7 *(B) The project achieves full replacement of the units, as*
8 *described in subdivision (e).*

9 *(C) The units provide good cause tenant protections and*
10 *opportunities to grieve actions and omissions.*

11 *(D) The units will remain available at affordable rent to, and*
12 *occupied by, eligible households in accordance with subdivision*
13 *(e) for the maximum feasible affordability period.*

14 *(E) Affordability of each replacement housing unit and the terms*
15 *described in subparagraphs (C) and (D) shall be ensured by the*
16 *execution and recordation of covenants and restrictions against*
17 *the replacement housing units pursuant to subdivision (c) prior to*
18 *the time that the replacement housing units are made available.*

19 *(F) (i) A replacement housing unit shall be available for*
20 *occupancy not less than five years following the date of disposition*
21 *or, in the case of an in-place disposition, not less than five years*
22 *from the date of permanent vacation.*

23 *(ii) Notwithstanding clause (i), if replacement housing units are*
24 *to be provided in two or more phases, the first phase shall be*
25 *available for occupancy not less than five years following the date*
26 *of disposition and each subsequent phase shall be available for*
27 *occupancy not less than two years following the deadline for the*
28 *previous phase, except that all replacement housing units shall be*
29 *provided within 10 years following the date of disposition.*

30 *(iii) In the event of a violation of this subparagraph, if a court*
31 *finds that the authority has taken all feasible and prudent actions*
32 *to comply and has failed to comply for reasons beyond its control,*
33 *the court may grant a reasonable extension to the deadlines of this*
34 *subparagraph.*

35 *(G) (i) An authority may replace up to 100 percent of the units*
36 *in the comparable replacement project by acquiring or causing*
37 *to be acquired units or buildings that are vacant or have yet to*
38 *receive a certificate of occupancy.*

39 *(ii) An authority may replace up to 50 percent of the units in*
40 *the comparable replacement project by acquiring or causing to*

1 *be acquired or through the recording of affordability covenants*
2 *on units that are not vacant, provided that the rents for the units*
3 *being acquired or restricted, individually or on average, are*
4 *greater than the affordable rent for the income category to which*
5 *the units are credited pursuant to paragraph (4) of subdivision*
6 *(e).*

7 *(5) The authority has adopted a replacement housing plan at a*
8 *public hearing that takes place prior to, or concurrent with, the*
9 *public hearing on the application for disposition, but not less than*
10 *30 days after the authority has provided the proposed replacement*
11 *plan pursuant to subparagraph (C) of paragraph (1) of subdivision*
12 *(b). The replacement housing plan shall include, but is not limited*
13 *to, all of the following:*

14 *(A) The general location of housing subject to disposition, the*
15 *number of units proposed to be disposed of by bedroom size, and*
16 *the location of replacement housing to be provided pursuant to*
17 *this section.*

18 *(B) An adequate means of financing the replacement housing,*
19 *including, but not limited to, the subsidies to be utilized to ensure*
20 *affordability of the dwelling units.*

21 *(C) A finding that the replacement housing does not require the*
22 *approval of the voters pursuant to Article XXXIV of the California*
23 *Constitution or that the approval has been obtained.*

24 *(D) The number of dwelling units housing persons and families*
25 *of extremely low, very low, low-, or moderate-income planned for*
26 *the replacement housing.*

27 *(E) The timetable for meeting the plan's replacement housing*
28 *objectives and to make application for replacement or relocation*
29 *vouchers pursuant to subdivision (e). In the event the authority*
30 *proposes an in place disposition, the plan shall describe the*
31 *provisions for long-term affordability of the replacement housing*
32 *to the extent determined. A dwelling unit whose replacement is*
33 *required by this section but for which no replacement housing plan*
34 *has been prepared, shall not be disposed of until the authority has*
35 *adopted a replacement housing plan.*

36 *(6) Except as provided in paragraph (5) of subdivision (f), the*
37 *authority shall notify all affected residents of significant changes*
38 *to the replacement housing plan within 21 days after making the*
39 *change. "Significant changes" shall mean material changes in*
40 *the plan likely to substantially affect the rights of affected residents,*

1 including, but not limited to, the location of replacement units, the
2 number or size of the replacement units, the restrictions on
3 occupancy for seniors or people with disabilities in the replacement
4 units, and the affordability levels associated with the replacement
5 units. A violation of this paragraph shall not invalidate any actions
6 to replace disposed of units in a comparable replacement project.

7 (c) (1) Notwithstanding any other provision of law, the authority
8 shall require the recording in the office of the county recorder of
9 the covenants or restrictions implementing this section for each
10 parcel or unit of real property subject to this section. These
11 covenants and restrictions shall run with the land. The authority
12 shall obtain and maintain a copy of the recorded covenants or
13 restrictions for not less than the life of the covenant or restriction.

14 (2) The covenants or restrictions implementing this section shall
15 be enforceable against any owner who violates a covenant or
16 restriction and each successor in interest who continues the
17 violation, by any of the following:

18 (A) The authority.

19 (B) An affected resident.

20 (C) A residents' association with members who reside in units
21 subject to this section.

22 (D) A former resident of a unit subject to this section who last
23 resided in that unit.

24 (E) An applicant for a replacement housing unit who is a
25 member of a lower income household, as defined in Section
26 50079.5, and who is eligible and willing to occupy the unit.

27 (3) A dwelling unit shall not be counted as satisfying the
28 replacement requirements of this section, unless all covenants for
29 that dwelling unit required by this section are recorded in
30 compliance with paragraph (1).

31 (d) This section shall not apply to a disposition for which a
32 substantially completed disposition application is submitted to the
33 United States Department of Housing and Urban Development
34 prior to January 1, 2009. For purposes of this subdivision, a
35 "substantially completed disposition application" is one that
36 substantially includes all required certifications and supporting
37 documentation.

38 (e) To achieve full replacement of the units disposed of pursuant
39 to this section, the authority shall do all of the following:

1 (1) Apply to the United States Department of Housing and Urban
2 Development for tenant protection or replacement vouchers to
3 replace each unit subject to disposition. If an authority does not
4 operate a voucher program, the authority shall contract with
5 another authority to apply for and administer the tenant protection
6 or relocation vouchers, if possible. The authority is not required
7 to make application for vouchers pursuant to this paragraph if the
8 United States Department of Housing and Urban Development
9 has no authority to issue tenant protection or replacement
10 vouchers.

11 (2) Utilize or cause to be utilized project-based vouchers, as
12 provided by Section 1437f(o)(13) of Title 42 of the United States
13 Code, to subsidize replacement housing units to the maximum
14 extent allowed by federal statute or regulation, as reasonably
15 determined by the authority. For the purposes of this paragraph,
16 an authority that participates in the Families Moving To Work
17 Program may elect to apply any per-project caps on the percentage
18 of project-based vouchers or any cap on the percentage of vouchers
19 which an authority may project-base established by federal
20 regulation or statute and applied to authorities that do not
21 participate in the Families Moving To Work Program. If an
22 authority does not operate a project-based voucher program, the
23 authority shall contract with another authority to apply for and
24 administer project-based vouchers, if possible. This paragraph
25 does not require an authority to alter the placement, phasing, or
26 design of developments that will include replacement housing
27 units.

28 (3) In addition to utilizing project-based vouchers as required
29 by paragraph (2), an authority may utilize or cause to be utilized
30 other project-based assistance described in this paragraph. That
31 assistance may be used to reduce or replace the requirement to
32 utilize project-based vouchers, except that if the authority makes
33 the finding described in subparagraph (F) of paragraph (4) of
34 subdivision (e), the requirement to utilize project-based vouchers
35 shall only be reduced or replaced to the extent that at least 50
36 percent of the units in the comparable replacement project are
37 covered by a project-based voucher or other project-based
38 assistance described in this paragraph. For the purposes of this
39 paragraph, project-based assistance includes all of the following:

1 (A) Assistance provided pursuant to Section 202 of the Housing
2 Act of 1959 (12 U.S.C. Sec. 1701q) or Section 811 of the
3 Cranston-Gonzalez National Affordable Housing Act (42 U.S.C.
4 Sec. 8013), provided that, for purposes of this paragraph, the
5 authority may only utilize or cause to be utilized assistance
6 pursuant to Section 202 of Public Law 86-372 or another
7 comparably affordable income-based rental assistance program
8 restricted to seniors for a number of replacement housing units
9 up to the number of units occupied or restricted to occupancy by
10 senior households at the time the board approves the disposition
11 application.

12 (B) Rental payments permitted by Section 1437a of Title 42 of
13 the United States Code.

14 (C) Rental assistance as provided by Section 1490a of Title 42
15 of the United States Code.

16 (D) Another project-based subsidy providing a comparably
17 affordable income-based rent.

18 (4) Replace all units disposed of with units subject to
19 affordability covenants recorded pursuant to subdivision (c) as
20 follows:

21 (A) For the number of public housing units occupied by
22 households with incomes equal to or less than extremely low
23 income at the time the board approves the disposition application,
24 at least an equal number of replacement housing units shall be
25 made available at an affordable rent to, and occupied by, extremely
26 low income households. Any replacement housing unit subject to
27 a project-based subsidy utilized pursuant to paragraphs (2) and
28 (3) shall be deemed to be a unit made available at an affordable
29 rent to, and occupied by, an extremely low income household for
30 purposes of this paragraph.

31 (B) For the number of public housing units occupied by
32 households with incomes greater than extremely low income, but
33 equal to or less than very low income, at the time the board
34 approves the disposition application, an equal number of
35 replacement housing units may be made available at an affordable
36 rent to, and occupied by, very low income households.

37 (C) For the number of public housing units occupied by
38 households with incomes greater than very low income at the time
39 the board approves the disposition application, an equal number

1 of replacement housing units may be made available at an
2 affordable rent to, and occupied by, lower income households.

3 (D) For the number of public housing units unoccupied at the
4 time the board approves the disposition application, an equal
5 number of replacement housing units shall be made available at
6 an affordable rent to, and occupied by extremely low, very low,
7 and low-income households in the same proportion identified in
8 subparagraphs (A), (B), and (C).

9 (E) For the purposes of this paragraph, income levels of
10 households shall be determined by the last income certification
11 preceding the date on which the board approves the disposition
12 application.

13 (F) Notwithstanding subparagraph (A), if the authority makes
14 a written finding based on substantial evidence in the record that
15 providing the number of replacement housing units made available
16 at an affordable rent to extremely low income households required
17 by subparagraph (A) is not financially feasible, then those units
18 may be made available at an affordable rent to, and occupied by
19 very low income households or, if still infeasible, to the lowest
20 percent of area median income financially feasible up to 60 percent
21 of the area median income. Any judicial action attacking the
22 validity of the financial feasibility finding shall be brought no more
23 than 60 days from the date the board of the authority adopts that
24 finding in the replacement housing plan.

25 (5) Make replacement housing units available at a monthly rent
26 equal to or less than the payment standard pursuant to Section
27 1437f of Title 42 of the United States Code.

28 (6) Ensure that the provider of replacement housing units shall
29 participate in the housing choice voucher program, shall not limit
30 the number of voucher holders who may occupy units, and shall
31 affirmatively market to housing choice voucher holders.

32 (7) Ensure that for any replacement housing unit whose
33 affordability relies upon rental subsidies, the housing provider
34 shall continue to accept the subsidy, if offered, for the maximum
35 feasible affordability period unless continued acceptance would
36 make the units not financially feasible.

37 (8) Record against the replacement housing units in accordance
38 with subdivision (c) restrictive covenants that include the terms
39 contained in paragraphs (5), (6), and (7) prior to the time that the
40 replacement housing units are made available.

1 (f) If an authority completes an in place disposition, the
2 authority shall comply with all of the following:

3 (1) The authority shall provide housing choice vouchers to all
4 eligible affected residents. Compliance with this paragraph shall
5 be deemed to fulfill compliance with paragraph (1) of subdivision
6 (e).

7 (2) The authority shall require that, excluding temporary
8 relocation, all eligible affected residents be permitted to continue
9 tenancy in their existing units until the time those units are
10 permanently vacated for any reason, provided that those units may
11 be permanently vacated or demolished by the owner only with the
12 consent of the authority. Those tenancies shall be subject to good
13 cause tenant protection, provided that protection shall not be
14 construed to prevent the permanent vacation of the units by the
15 owner. The authority shall require that residents of existing units
16 be provided relocation assistance pursuant to paragraph (2) of
17 subdivision (b) upon the owner causing the units to be permanently
18 vacated.

19 (3) The authority shall require that when all affected residents
20 vacate a disposed of unit, the unit will be rented either to another
21 voucher holder or be made available at an affordable rent to, and
22 occupied by, a household earning less than 60 percent of the area
23 median income, until the time the disposed of unit is permanently
24 vacated.

25 (4) The authority shall replace all units disposed of in a
26 comparable replacement project, except as follows:

27 (A) For purposes of determining compliance with subparagraphs
28 (A) to (D), inclusive, of paragraph (4) of subdivision (e), the
29 authority may substitute the occupancy of units at the time the
30 disposed of units are permanently vacated or at the time covenants
31 are recorded pursuant to subparagraph (B) of this paragraph for
32 the occupancy of units at the time the board approved the
33 disposition application. In that case, the income levels of
34 households shall be determined by the last income certification
35 preceding the date the disposed of units are permanently vacated
36 or the date covenants are recorded pursuant to subparagraph (B)
37 of this paragraph.

38 (B) If some or all of the disposed of units have not otherwise
39 been included within a comparable replacement project that will
40 replace the units offsite or through onsite redevelopment in

1 *accordance with the deadline established in subparagraph (F) of*
2 *paragraph (4) of subdivision (b), the authority, with respect to all*
3 *remaining disposed of units, shall comply with all the requirements*
4 *for a comparable replacement project and record covenants*
5 *against those remaining units in accordance with subdivision (c)*
6 *not more than seven years following the date of the disposition.*

7 *(5) Prior to the permanent vacation of substantially all of the*
8 *disposed of units or to the recording of covenants pursuant to*
9 *paragraph (4), the authority shall update its replacement housing*
10 *plan in accordance with paragraph (5) of subdivision (b). The*
11 *authority shall provide notice of the hearing and the proposed*
12 *update to the replacement housing plan to current households and,*
13 *upon request, any interested party not less than 30 days prior to*
14 *the hearing.*

15 *(6) The authority shall ensure that the owner of disposed of*
16 *housing units complies with the provisions of paragraphs (2) and*
17 *(3). The authority shall, at the time of disposition, adopt reasonable*
18 *measures described in its replacement housing plan to ensure*
19 *compliance, including, but not limited to, recorded covenants,*
20 *ground leases, option agreements, or contractual arrangements*
21 *binding subsequent owners, provided that the authority shall*
22 *remain obligated to replace or cause all such units to be replaced*
23 *in a comparable replacement project in accordance with paragraph*
24 *(4). In the event the owner fails to comply with paragraphs (2) and*
25 *(3), the authority shall affirmatively act to enforce these*
26 *requirements or make units available in compliance with*
27 *paragraphs (2) and (3).*

28 *(g) An authority that completes a disposition pursuant to this*
29 *section shall be exempt from Section 34315.7.*

30 *(h) No provision of this section shall be construed to prevent,*
31 *limit, or restrict any requirement imposed by the United States*
32 *Department of Housing and Urban Development or by any federal*
33 *law or regulation as a condition of a disposition, including, but*
34 *not limited to, any restriction on the use of disposition proceeds,*
35 *any requirement for property to revert to the United States*
36 *Department of Housing and Urban Development, or any*
37 *requirement to record superior restrictive covenants in favor of*
38 *the United States Department of Housing and Urban Development.*

1 (i) *This section shall remain in effect only until January 1, 2019,*
2 *and as of that date is repealed, unless a later enacted statute, that*
3 *is enacted before January 1, 2019, deletes or extends that date.*

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**All matter omitted in this version of the bill
appears in the bill as amended in Senate,
June 30, 2008 (JR11)**

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